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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1299

03/02/2015 Authored by Masin, Davids, Wills and Atkins
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to the city of Eagan; tax increment financing; amending Laws 2014,
1.3 chapter 308, article 6, section 7.
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Laws 2014, chapter 308, article 6, section 7, is amended to read:

1.6 Sec. 7. **CITY OF EAGAN; TAX INCREMENT FINANCING.**

1.7 (a) Effective for taxes payable in 2015, the city of Eagan may elect to compute tax
1.8 increment for the Cedar Grove Tax Increment Financing District using the current local tax
1.9 rate, notwithstanding the provisions of Minnesota Statutes, section 469.177, subdivision 1a.

1.10 (b) The requirements of Minnesota Statutes, section 469.1763, subdivision 3, that
1.11 activities must be undertaken within a five-year period from the date of certification
1.12 of a tax increment financing district, is considered to be met for the Cedar Grove Tax
1.13 Increment Financing District in the city of Eagan if the activities are undertaken within 13
1.14 years from the date of certification of the district.

1.15 (c) Notwithstanding the provisions of Minnesota Statutes, section 469.176,
1.16 subdivision 1b, or any other law to the contrary, the city of Eagan may collect tax
1.17 increment from the Cedar Grove Tax Increment Financing District through December
1.18 31, 2032. Notwithstanding the provisions of Minnesota Statutes, section 469.1782,
1.19 subdivision 2, any extension under this paragraph takes effect with regard to any affected
1.20 local government unit, as that term is defined in section 469.1782, subdivision 2, that
1.21 approved the extension, subject to the provisions of paragraph (d).

1.22 (d) For purposes of any extension under paragraph (c), if the governing body of an
1.23 affected local government unit does not approve the extension, but the extension takes

2.1 effect because one or more other affected local government units approve, the following
2.2 rules apply:

2.3 (1) tax increments during the period of the extension that are attributable to levies
2.4 imposed by an affected local government unit that did not approve the extension must be
2.5 paid by the county to the affected local government unit that did not approve the extension;

2.6 (2) for increment paid to the school district during the period of the extension, the
2.7 school district must report the amounts to the commissioner of education, along with any
2.8 additional information required by the commissioner and at the times required by the
2.9 commissioner; and

2.10 (3) the commissioner of education shall deduct from state aid payable to the school
2.11 district the amount of the reported tax increment attributable to state equalized levies.

2.12 **EFFECTIVE DATE.** The amendment to paragraph (c) extending the duration of
2.13 the district to 2034 is effective upon compliance by one or more of the governing bodies
2.14 of the city of Eagan, Dakota County, and Independent School District No. 191 with
2.15 the requirements of Minnesota Statutes, sections 469.1782, subdivision 2, and 645.021,
2.16 subdivision 3.